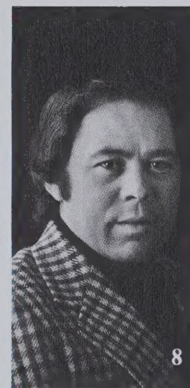
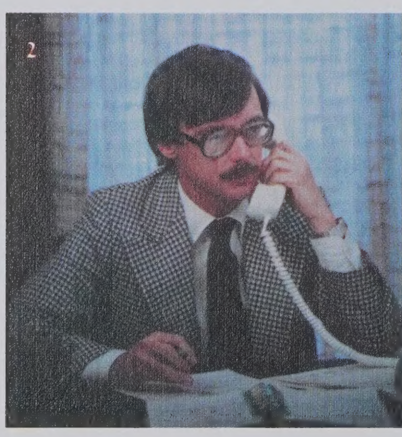
Carma Developers Ltd. Annual Report 1976

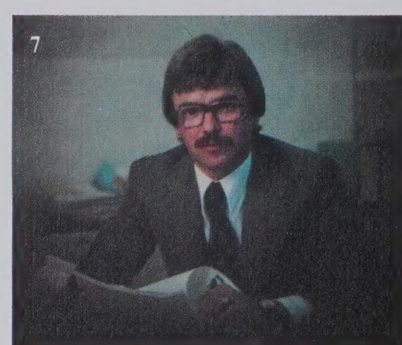
Carma's People Working For People



PRINCE GEORGE - 1. Ingrid Watson, Rudy Koop



EDMONTON - 2. Rick Leland 3. Pat Payne 4. Linda Hawkeye 5. Debbie Robinson 6. Brenwyn Cooley 7. Alan Olinyk 8. Gary Milne 9. Ron Hunt 10. Diann Gunter



arma Developers Ltd. and Subsidiary Companies

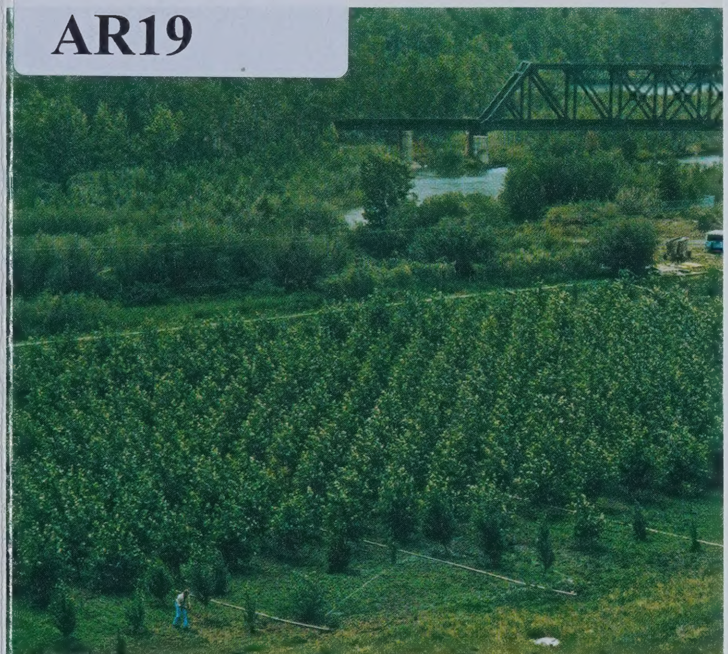
;onsolidated Statement of Changes
ı Financial Position

Jnaudited)

ix months ended June 30, 1976 and 1975

	1976	1975
ash was provided by:		
Operations		
Net income for the period	$ 5,190,000	$ 1,738,000
Items not requiring the outlay of cash		
Depreciation and amortization	38,000	36,000
Deferred income taxes	(1,088,000)	1,771,000
	4,140,000	3,545,000
Decrease in trade and other receivables	–	126,000
Decrease in agreements receivable on commercial and high density land	318,000	–
Decrease in prepaid expenses	70,000	60,000
Increase in term bank loans	–	5,190,000
Increase in payables and accruals	3,762,000	–
Issue of 11.5% secured debentures, series A	10,000,000	–
Increase in income taxes payable	2,964,000	–
Increase in option deposits	274,000	687,000
Issue of common shares	403,000	964,000
	21,931,000	10,572,000
;ash was used for:		
Increase in trade and other receivables	3,409,000	–
Increase in agreements receivable on commercial and high density land	–	1,037,000
Increase in investments in land and utility costs	1,667,000	3,575,000
Increase in deferred financing costs	543,000	–
Increase in land, buildings and equipment	106,000	69,000
Decrease in bank indebtedness	993,000	1,183,000
Decrease in payables and accruals	–	955,000
Decrease in term bank loans	14,724,000	–
Decrease in income taxes payable	–	2,237,000
Decrease in 8% subordinated convertible debentures	350,000	960,000
Dividends paid	543,000	–
	22,335,000	10,016,000
ncrease (decrease) in cash and deposit receipts	$ (404,000)	$ 556,000

Progress report to shareholders for six months ended June 30, 1976.

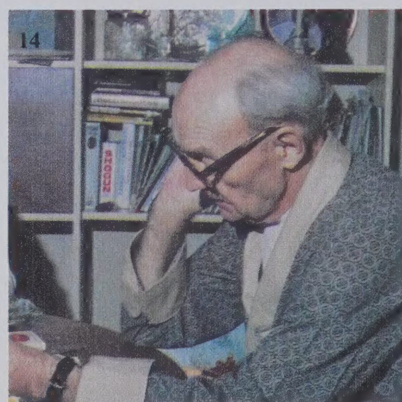


Carma

Developers Ltd.

HAMILTON - 11. L. to R. George Barclay, Colette Roosevelt, Cathy Gilvear, Eric Vincent

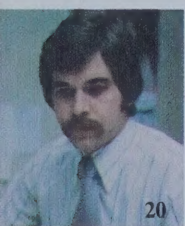
VANCOUVER CENTRE - 12. Ernie Hnatiuk, Louise Schulz

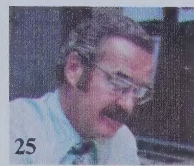


MAPLE RIDGE - 13. Bryan Winspear, Lynn McCoy

CALGARY HEAD OFFICE - 18. Carla McArthur 19. L. to R. Corinne Knodel, Marg Stapleton, Erika Schlager, Gloria McDonald 20. Steve Engel 21. Chuck Harvey 22. Ken Munro 23. Bob Strudwick 24. L. to R. Josie Bolton, Maureen Pearson 25. George Hopkins 26. Gay McDermott

SUR-DEL - 14. George Greenwell (recuperating from recent illness) 15. Joan Ryder 16. Peggy McGrigor 17. L. to R. Tom Douglas, Art Molenkamp





CALGARY REGIONAL OFFICE - 28. Graham Hodgson 29. Ann Young 30. Harvey Scheuchner

CALGARY INDUSTRIAL, COMMERCIAL AND INVESTMENT DIVISION - 27. L. to R. Barry Wong, Heather Sembo, Bill Morrison

ALGARY NORTH - 31. Fran Gordon 2. Doreen Tischer 33. Bill Turnbull 4. Mike Gindl 35. Carl Cheverie

CALGARY SOUTH - 36. L. to R. Gary Young, Debra Hastings, Sandra Bembridge, Frank Boyd

Carma Developers Ltd. Communities planned for growing value

Carma's People Working For People

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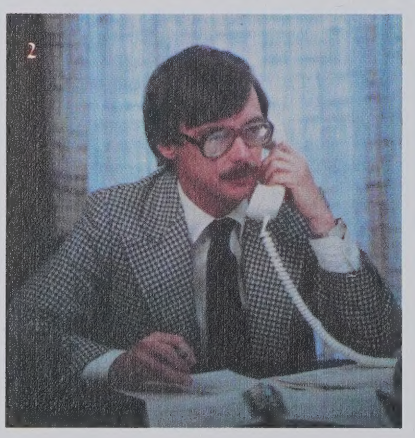

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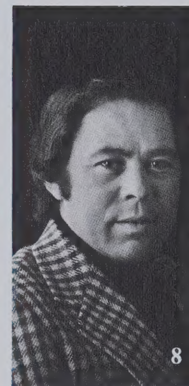

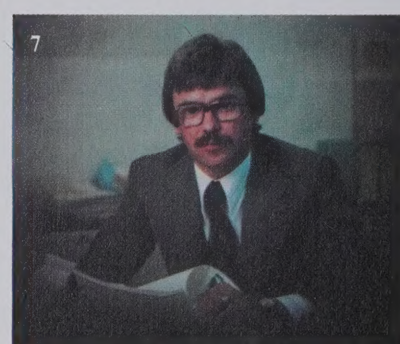

Introduction

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proceeds quickly. Such rebates are dependent on the earnings of each

Contents

Carma Developers Ltd. and Subsidiary Companies

Consolidated Statement of Changes in Financial Position

(Unaudited)

Six months ended June 30, 1976 and 1975

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Progress report to shareholders for six months ended June 30, 1976.

Carma

Developers Ltd.

Carma's People Working For People

To the shareholders.

Carma's policy of regional expansion and diversification has resulted in districts outside the base market area of Calgary contributing in a major way to revenue in the first half of 1976.

Sale of 150 single-family lots and 11 blocks of street townhousing in the Hamilton district's Albion Estates community produced revenue of $6 million. In Prince George, a draw for 58 lots in the Foothills subdivision produced sales of $643,000 and the sale of 69 lots in the new Vancouver-Maple Ridge marketing pool totalled $1.6 million. Carma's Vancouver subsidiary, Sur-Del Builders Development Ltd., recorded sales of $1.47 million for 58 lots in Glen Robertson and Newton Glen. The first sale of 252 lots in Edmonton's Mill Woods community totalled $4.67 million with an additional $3.75 million from sale of 130 lots in Kaskitayo. Results from expansion centres dominated Carma sales for the first time in any six-month period of the company's history.

The new Woodlands community in southwest Calgary produced its first sales with 86 lots producing revenue of $2.69 million. Other Calgary sales included 119 lots in Silver Springs for $2.94 million and 80 lots in Varsity Estates for $3.14 million. Two Edmonton multi-family sites and one in Calgary also contributed to first-half revenue.

Your company recorded net income of $5,190,000 or $1.91 per share from total revenue of $31,346,000 in the six months ended June 30, 1976. This compares to net income of $1,738,000 or 69 cents per share from revenue of $11,687,000 in the first half of 1975. Cash flow was $1.52 per share compared to $1.40 in the same period of 1975. Outlook for the second half is good with outstanding options from several areas totalling approximately $9 million and the results of a major Calgary lot draw in July also expected to contribute to sales later in the year. Although regulations of the federal government's Anti-Inflation Board are not clearly defined Carma is attempting to conform to what we believe to be the spirit of the guidelines. Therefore, while over-all volume increased substantially, the contribution to profit from each dollar of revenue has been reduced.

Carma's first public debenture issue of $10 million was fully subscribed in June and the company paid a regular quarterly dividend of 10 cents per Class A common share and 8½ cents per Class B common share August 13, 1976, to shareholders of record at the close of business August 3, 1976.

Your board of directors has recommended a two-for-one split of Carma's common shares. The proposed split is subject to approval of shareholders at a special general meeting in late October.

Carma's divisional advisory boards play an important role in the success of your company, providing management with local insight and experience in all aspects of the development process. Membership of the boards is as follows:

Calgary: A.R. Hill, Ken Kleefeld, Gary Reed, Michael Ross, Eck Spindler, Klaus Springer, A.M. Usselman. **Edmonton:** S.C. Anderson, Art Fleck, S.K. Hooper, Rudy Janzen, David Jenkins, Louis Schaaf, Arthur Staniland. **Hamilton:** G.H. James, S. Eric Johnson, W.J.C. Mitchell, G.R. Stanger, Ernie Tkachuk. **Vancouver:** Peter Beauchamp, L.R.S. Bourne, Eugene Harder, Peter Hyndman, Denny Pearce, Gary Santini, Walter Schmidt. **Prince**

Introduction

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Contents

Offices

Head Office

Calgary, 1700 Varsity Estates Drive N.W. T3B 2W9
Edmonton, 11104 - 107 Avenue T5H 0X8
Hamilton, 36 Hess Street South L8P 3N1
Prince George, 1488 - 4 Avenue V2L 3J7
Vancouver, 10453 - 137 Street, Surrey V3T 5B1

Cover

"Carma's People" are highlighted on the fold out front cover in tribute to their contribution toward the success of 1976.

The front cover emphasizes the people involvement that is very much a part of Carma.

are voting members of all advisory boards.

Roy Wilson,
President

Carma
Developers Ltd.

Head Office: 1700 Varsity Estates Drive N.W., Calgary, Alta. **Regional Offices:** 11104 - 107 Avenue, Edmonton, Alta.; 8306 - 120 Street, Surrey, B.C.; Suite 510 Scotia Bank Bldg., 1488 - 4th Ave., Prince George, B.C.; 36 Hess Street South, Hamilton, Ont. **Auditors:** Winspear Higgins Stevenson & Co. **Transfer Agent:** Montreal Trust Co. **Shares Listed:** Toronto Stock Exchange, Alberta Stock Exchange.

COVER: Carma's Calgary tree farm helps provide stock for the extensive planting programs that are part of development of new communities.

Carma's People Working For People

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Carma Developers Ltd. and Subsidiary Companies

Consolidated Statement of Income

(Unaudited)

Six months ended June 30, 1976 and 1975

	1976	1975
Revenue:		
Sale of residential land	$25,853,000	$ 9,490,000
Sale of commercial, high density and undeveloped acreage	3,801,000	1,456,000
Interest and other	1,692,000	741,000
Total revenue	31,346,000	11,687,000
Expenses:		
Cost of residential land sold	16,958,000	5,683,000
Cost of commercial, high density and undeveloped acreage sold	2,015,000	669,000
Administrative and general	1,234,000	968,000
Interest	1,309,000	822,000
Depreciation and amortization	38,000	36,000
Total expenses	21,554,000	8,178,000
Net income before income taxes	9,792,000	3,509,000
Income taxes	4,602,000	1,771,000
Net income	$ 5,190,000	$ 1,738,000
Average number of common shares outstanding	2,715,571	2,524,047

	1976		1975	
	No Dilution	Full Dilution	No Dilution	Full Dilution
Net income per common share	$1.91	$1.87	$0.69	$0.61
Cash flow per common share	$1.52	$1.49	$1.40	$1.24

NOTE: The net income per common share and cash flow per common share for the six months ended June 30, 1975 are restated to reflect the three for two share split that was approved by the shareholders on September 3, 1975.

PRINTED IN CANADA

Introduction

Carma Developers Ltd. is a builder's organization. The Company's main purpose is to develop and market serviced residential sites to its builder-shareholders, who are the primary owners, and the public. Carma does not speculate in land, it produces a product in the form of new residential communities.

Carma's strength is enhanced by its unique contractual relationship with its many builder-shareholders. This relationship is governed by individual marketing contracts between Carma and each builder-shareholder, which assures builder-shareholders that they will be entitled to purchase a pre-determined number of building lots developed by Carma in each marketing pool, based on their shareholdings registered in each specific marketing pool area. A draw system is used for the allocation and order of selection of lots by the builder-shareholders. Each builder represented at a draw is entitled to be allocated and may, but is not obligated to, purchase a specific number of available lots, determined by the ratio of his registered Carma shares in that division and the total number of shares of the builder-shareholders registered at the draw.

The use of these marketing contracts has enabled the Company to be relatively assured of a ready market for the sale of its building lots and has materially assisted builder-shareholders in the selection and purchase of the serviced residential building sites required in their business operations. The marketing contracts are designed to encourage the rapid construction of dwellings in the new communities and to minimize speculative purchases. To this end, the contracts provide that Carma may pay annual rebates to the builder-shareholders based on an aggregate dollar value of purchases in each year, provided construction proceeds quickly. Such rebates are dependent on the earnings of each marketing pool and are paid to the original purchaser. The granting of marketing contracts is determined soley by Carma and is subject to reasonably stringent conditions. No shareholder of Carma is automatically entitled to be granted a marketing contract, however, all shareholders who hold marketing contracts receive the same privileges and are all bound by the same set of rules.

The builder-shareholder marketing pool concept has grown tremendously since its inception. To date, seven marketing pools are successfully operating in three Canadian provinces with a total of 195 builder-shareholder marketing contracts.

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Cover

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The front cover emphasizes the people involvement that is very much a part of Carma.

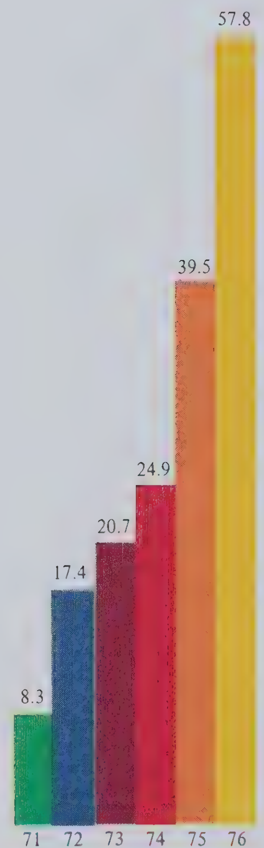
Highlights

FINANCIAL	1976	1975
Total Revenue	$57,755,000	$39,487,000
Net Income	$10,429,000	$ 7,266,000
Net Income per common share	$ 1.91	$ 1.41*
Cash Flow per common share	$ 1.86	$ 2.12*
Common shares outstanding at year end	5,479,568	5,339,442*

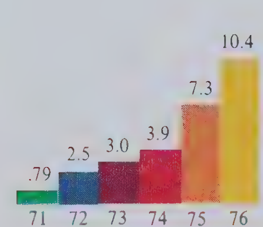
*Net income per share, cash flow per share and number of common shares outstanding at year end are restated to reflect the two-for-one share split effective November 4, 1976.

OPERATING

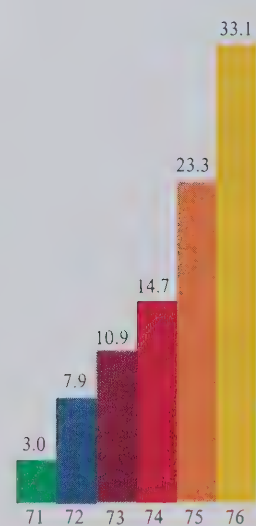
- Three new marketing pools formed in British Columbia at Prince George, Vancouver Maple Ridge and Vancouver Centre resulting in 74 new marketing contracts. Total of 195 marketing contracts with builder-shareholders at December 30, 1976.
- Over half of record sales generated from areas outside of Calgary with Edmonton, Hamilton and Vancouver leading the way.
- Land bank increased to 12,637 acres.
- First shopping centre nearing completion with 80 per cent of space leased at year end.



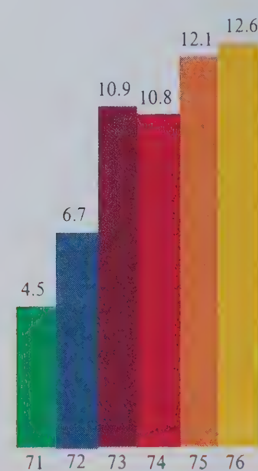
TOTAL REVENUE
in millions of dollars



NET INCOME
in millions of dollars



SHAREHOLDER'S EQUITY
in millions of dollars



LAND HOLDINGS
in thousands of acres

To the Shareholders

Carma Developers Ltd. recorded net income of $10,429,000 or $1.91 per share on total revenue of $57.8 million in 1976. This compares to net income of $7,266,000 or $1.41 per share on revenue of $39.5 million in the previous year. The contribution from "commercial, high density and undeveloped acreage" increased, providing 21 per cent of the record sales dollar. For the first time in Carma's history more than half of the total sales were generated in areas other than Calgary.

During 1976, some major changes were made to the financial structure of the company. Four quarterly dividends were paid totalling 20 cents per Class A common share and 17 cents per Class B common share and in December, 1976, the directors announced that dividends for 1977 would be increased by 60 per cent. The shareholders approved a two-for-one share split which became effective November 4, 1976. Public debt financing was obtained through Carma's first debenture issue, Series A, for $10 million which was fully subscribed in June, 1976, and a second, Series B, issued for $15 million was offered in early 1977.

Several significant events occurred in the operations of Carma during the past year. Three new British Columbia marketing pools were formed, increasing the number of marketing contracts held by the builder-shareholders in Carma's seven marketing pools to 195. Ontario land holdings were expanded into new areas through the acquisition of a 27½ per cent equity interest in a 71.6 acre parcel in Mississauga. The 80,000 square foot Silver Springs Shopping Centre in Calgary is well under construction with the official opening planned for early summer 1977. A new 13,500 square foot office building was purchased in the municipality of Surrey and all of the greater Vancouver area operations are centred in these new facilities.

Carma is optimistic concerning development opportunities in 1977 and beyond. During the next decade, children born in the post war "baby boom" years will be entering the prime home-buying years. At the same time, migration to the urban growth centres, where Carma concentrates its operations, continues at a high rate. Together these factors will result in a high level of household formation and therefore housing demand.

Our concerns centre around the degree to which our industry is subject to government intervention. Shortages of serviced lots have been created artificially in a number of areas as a result of land freezes and delays in the land-use approval processes. Coinciding with government financial incentives which have stimulated demand, rather than supply, these delays have resulted in sharply increased prices. Governments must initiate and co-operate with industry in a co-ordinated program of land-use planning which will assure a supply of serviced land in advance of demand. This is vitally necessary if the shelter industry is to continue to supply affordable housing.

For 1976, Carma paid $10.6 million in income tax, an amount exceeding the net income earned by the shareholders. Thus, in exchange for snarls of red tape, no investment and no assumption of risk, the government becomes the largest beneficiary of the company's operations. As a result, private industry, and ultimately the general public, must bear the cost of a national tax bill fast approaching half of the Canadian Gross National Product. It is high time that Canadians spoke out against the impediment to future growth inherent in the tax cost of supporting a continued expansion of the public sector.

On the positive side, Carma's operations are firmly established in several stable economic growth areas and as your company continues its program of diversification, we fully expect that shareholders can look forward in 1977 to yet another year of record sales and earnings.

C. J. Combe,
Vice-Chairman and
Chief Executive Officer

Roy Wilson,
President

Review of Operations

Calgary

Calgary South district enjoyed a banner year, recording sales of 755 single-family lots plus two large multi-family sites in Braeside Estates and The Woodlands. District sales included the remaining 81 lots in Varsity Estates and 355 lots in Silver Springs. Sales in Braeside Estates added 161 lots to the total with The Woodlands and Okotoks contributing 117 and 39 lots respectively. Revenue from the Calgary North district was generated from the last 19 single-family lots in West Thorncliffe and multi-family sites in West Thorncliffe and South Dalhousie.

During the year, development began in Carma's new Ranchlands West community in northwest Calgary. The concept employed in Ranchlands represents a departure from the traditional methods of subdivision planning and are referred to as "Mixed Use Development." The mix of land includes regular single-family detached, zero-lot-line detached, semi-detached, attached housing and multi-family sites, thus allowing Carma's builders to reach most segments of the Calgary housing market. This type of development necessitates closer architectural supervision and control throughout the entire servicing and construction period. When completed, the total community will fit neatly together in its created environment. The first two phases of Ranchlands, containing 140 acres, will be marketed in 1977.

Servicing for the second phase of The Woodlands, in southwest Calgary, has progressed throughout the mild winter months. The servicing of the northwest subdivision of Edgemont is scheduled to commence in early March, 1977. Late in 1976, Carma applied to the Local Authorities Board of Alberta to have the Simon's Valley land, lying north of the city limits, annexed to the City of Calgary. Public hearings on the proposal are anticipated by mid year.

Edmonton

Sales in the Mill Woods and Blue Quill subdivisions dominated the Edmonton scene in 1976. A total of 383 lots were sold in the two areas, with Mill Woods accounting for 253, Blue Quill the remaining 130. Adding to the year's total revenues were significant sales of multi-family sites in both sectors, which provided more than one third of the total Edmonton sales.

Of particular interest during the year was the virtual completion of the Mill Woods subdivision in southeast Edmonton. This 100 acre project is situated in the heart of a large city owned land bank. Carma instigated the private development thrust in this region and marketed serviced lots, in competition with city developed lots, in a very acceptable manner. The last phase of the Blue Quill subdivision will be marketed in 1977 and will feature innovative housing, including the zero-lot-line concept, a first for Carma in the Edmonton area. The Clareview subdivision in northeast Edmonton will add materially to sales in the coming year.

Major planning during 1976 was concentrated in areas outside Edmonton city boundaries. The final Outline Plan for Woodlands, a Carma-Nu-West joint venture community in St. Albert, was presented, with first phase servicing to be initiated as quickly as approval is received. Application has been made to the Local Authorities Board for the annexation of 6,000 acres of land to the town of Fort Saskatchewan. Carma, and its joint ownership partner, with involvement in over 2,000 acres of this Fort Saskatchewan Assembly, are awaiting decisions on the annexation hearings.

Ontario

The progress made during the first three years of operations was highlighted in 1976 with the first sales of serviced land. Sales reached $8 million with over one third of the total derived from the sale of multi-family sites.

Registration was completed on the first two phases of Albion Estates during the year, allowing for nearly 1500 units. House construction commenced on Phase 1 in early 1976 and in conjunction with the summer marketing program, a very successful home show was held. Phase 2 is presently being serviced and will be available by late spring. Final approvals for the remaining 44 acres in Albion Estates will be obtained upon resolution of the expressway system with the City of Hamilton. The neighborhood plan for the DeWitt project was approved in late 1976 and draft plan approval is expected by mid summer. Final approval is being sought on the 120 acre Iroquois Ridge development in Oakville, lying adjacent to an existing residential subdivision. A 27½ per cent equity was obtained during the year on a 71.6 acre parcel in Mississauga, while land held for future development in the balance of the province remained unchanged.

Unless approvals for existing developments are speeded up, the availability of serviced land will be inadequate by 1978. Past experience has clearly indicated that the prospects of such a break through are highly unlikely as the approval process continues to be more difficult, complicated and time consuming.

Prince George

The successful formation of the Prince George marketing pool was achieved in April, 1976 with 37 builder-shareholders participating. The builder response was excellent and established the Prince George pool as one of the largest in the Carma organization. The 59 single-family lots in the Foothills subdivision were quickly marketed following the formation of the local pool.

The first phase of Bonnet Ridge, the planned community in the Blackburn sector, has proceeded to the land-use contract stage and is expected to be developed and on stream in 1977. Development will proceed in two stages, the first consisting of 100 lots, the second 50 lots.

Land holdings were consolidated during the year through the acquisition of 20 acres and now total 788 acres.

Vancouver

With the formation of two new marketing pools during the year, the Vancouver area is now divided into the following development districts:
Vancouver Centre Pool — Municipalities of Richmond, Burnaby, plus the South Delta area.
Vancouver Maple Ridge Pool — Municipalities of Pitt Meadows and Maple Ridge.
Sur-Del Pool — Municipality of Surrey and the North Delta area.

The Vancouver Centre Pool, formed in September 1976, is comprised of 19 builder-shareholders. It is expected that marketing will proceed before mid 1977 on 70 lots in Richmond and 44 lots in the Ladner community in South Delta. The Maple Ridge pool, with its 18 builder-shareholders, was formed in April, 1976. Draws were held in the Chilcotin Country community during the year, resulting in the sale of 60 lots. A further 16 lots were sold in the Wildwood subdivision. Sur-Del completed sales of 146 lots in the Glen Robertson and Newton Glen subdivisions, with 77 of these in Newton Glen South.

The major item of interest, from a Vancouver staff standpoint, was the purchase of the new office building in Surrey and the subsequent move of the total Carma operations to the new headquarters in November, 1976.

Land purchases included a 60 acre site in the Delta municipality and several smaller parcels in Maple Ridge, increasing total land holdings in the greater Vancouver area to 401 acres.

I.C.I. Division

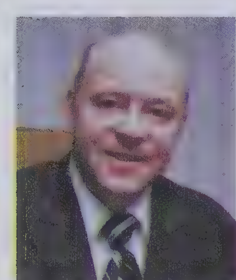
In July, 1976, construction began on the 80,000 square foot Silver Springs Shopping Centre in northwest Calgary. Situated in the heart of the Silver Springs community, its quality cedar and brick exterior blends into the surrounding residential area. Leasing arrangements are nearing completion and include a 28,000 square foot supermarket, a large drug mart, a branch of a major chartered bank and numerous convenience outlets. The opening date is scheduled for early summer, 1977.

During the year, Carma acquired a 50 per cent partnership interest in 250 acres of industrial land in northeast Calgary. Located between the Deerfoot Trail and the International Airport and bisected by 64 Avenue N.E., the site affords excellent access from all areas in the rapidly expanding north and east quadrants of the city. Planning is underway to gain acceptance for a commercial-industrial park.

The I.C.I. Advisory Board was formed in 1976, with members offering a mix of commercial talents and expertise. The I.C.I. board members represent the best in the business on a Canada wide basis. Planning to date has centred on proposals for shopping centres in Calgary, Edmonton and Hamilton and a continuing search for top quality property with revenue potential.

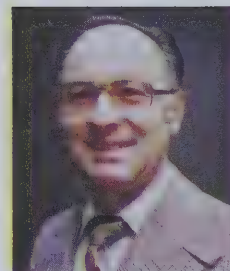
Corporate Directory

Board of Directors and Officers


*Ralph Scurfield
Chairman of the Board and Director


*Joe Combe
Vice-Chairman of the Board
Chief Executive Officer and Director


*Howard Ross
Director


*Roy Wilson
President and Director


Larry Bourne
Director


Stan Hooper
Director


Klaus Springer
Director


Tony Usselman
Director


Rod Gerla
Director


Glyn Stanger
Director


A. Scott Taylor
Director

Ralph Scurfield
President of Nu-West Development Corporation Ltd.

Joe Combe
President of Ebmoc Management Ltd.

Howard Ross
President of Britannia Homes Ltd.

Larry Bourne
President of Van-Bourne Homes Ltd.

Stan Hooper
President of Stanton Developments Ltd.

Klaus Springer
President of Springer Construction Ltd.

Tony Usselman
President of Anton Developments Ltd.

Rod Gerla
Vice-President of Nu-West Development Corporation Ltd.

Glyn Stanger
Partner, Goldberg, Stanger Barristers and Solicitors

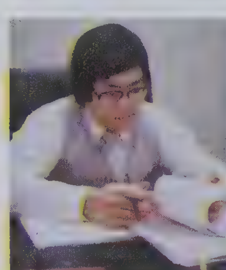
A. Scott Taylor
Vice-President, Pembroke Management Ltd.

*Members of Executive Committee

Other Officers


Rudy Janzen
Vice-President
Edmonton

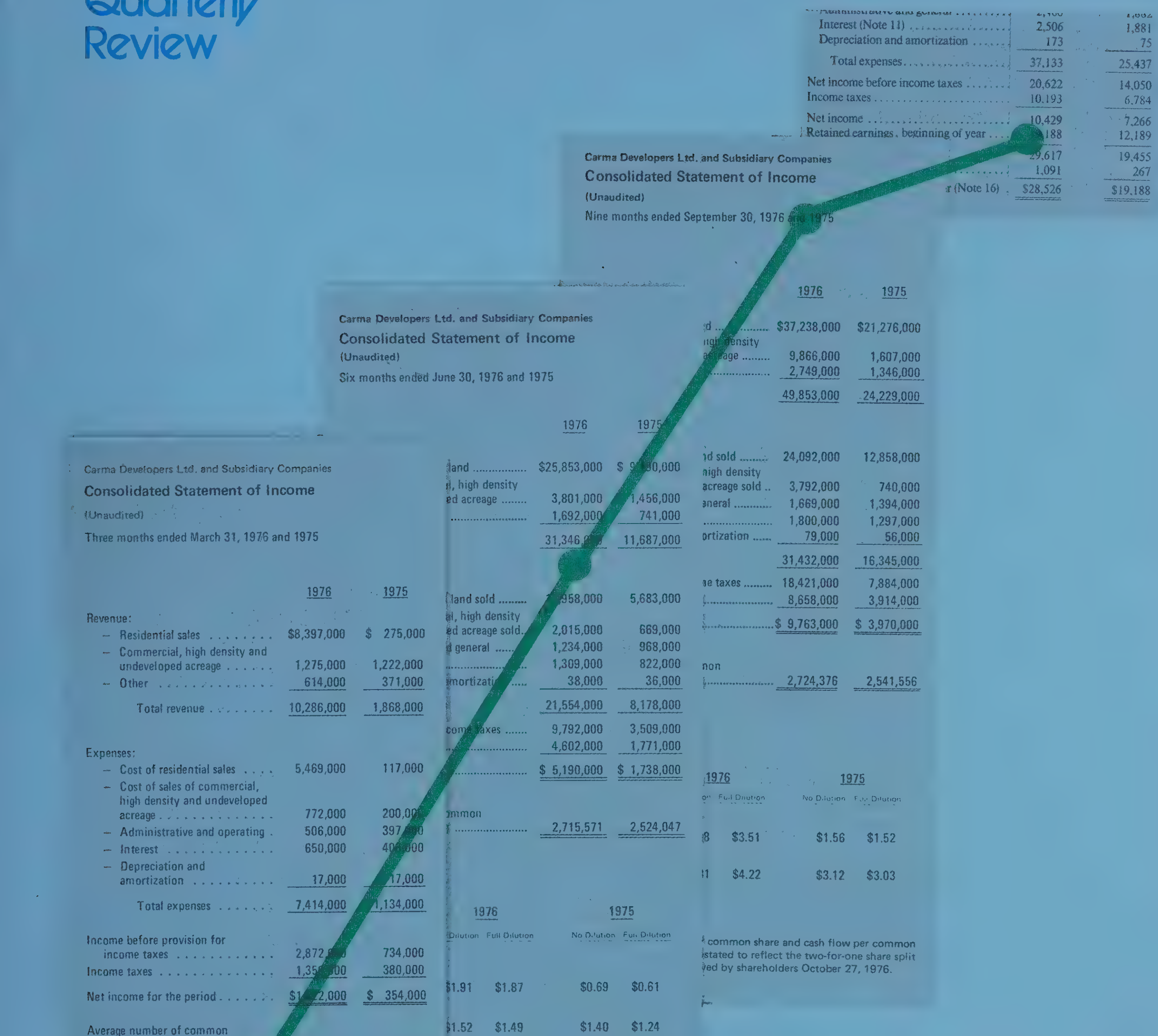

Gary Reed
Vice-President
Calgary


Barry Wong
Vice-President
Commercial


Dick Owen
Chief Financial Officer


Sam Travis
Secretary and General Counsel

Quarterly Review



Carma Developers Ltd. and Subsidiary Companies

Consolidated Statement of Income

(Unaudited)

Three months ended March 31, 1976 and 1975

	1976	1975
Revenue:		
– Residential sales	$8,397,000	$ 275,000
– Commercial, high density and undeveloped acreage	1,275,000	1,222,000
– Other	614,000	371,000
Total revenue	10,286,000	1,868,000
Expenses:		
– Cost of residential sales	5,469,000	117,000
– Cost of sales of commercial, high density and undeveloped acreage	772,000	200,000
– Administrative and operating	506,000	397,000
– Interest	650,000	403,000
– Depreciation and amortization	17,000	17,000
Total expenses	7,414,000	1,134,000
Income before provision for income taxes	2,872,000	734,000
Income taxes	1,350,000	380,000
Net income for the period	$1,522,000	$ 354,000
Average number of common shares outstanding	2,701,676	2,475,626

	1976 No Dilution	1976 Full Dilution	1975 No Dilution	1975 Full Dilution
Net income per common share	$0.56	$0.55	$0.14	$0.13
Cash flow per common share	$0.59	$0.57	$0.15	$0.14

NOTE: The net income per common share and cash flow per common share for the three months ended March 31, 1975 are restated to reflect the three for two share split that was approved by the shareholders on September 3, 1975.

Carma Developers Ltd. and Subsidiary Companies

Consolidated Statement of Income

(Unaudited)

Six months ended June 30, 1976 and 1975

	1976	1975
...land	$25,853,000	$ 9,490,000
...l, high density ...ed acreage	3,801,000	1,456,000
...	1,692,000	741,000
	31,346,000	11,687,000
...land sold	16,958,000	5,683,000
...al, high density ...ed acreage sold	2,015,000	669,000
...d general	1,234,000	968,000
...	1,309,000	822,000
...mortization	38,000	36,000
	21,554,000	8,178,000
...come taxes	9,792,000	3,509,000
...	4,602,000	1,771,000
...	$ 5,190,000	$ 1,738,000
...mmon ...	2,715,571	2,524,047

1976 ...Dilution	1976 Full Dilution	1975 No Dilution	1975 Full Dilution
$1.91	$1.87	$0.69	$0.61
$1.52	$1.49	$1.40	$1.24

...come per common share and cash flow per common share for the six months ended June 30, 1975 are ...reflect the three for two share split that was ...by the shareholders on September 3, 1975.

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Carma Developers Ltd. and Subsidiary Companies

Consolidated Statement of Income

(Unaudited)

Nine months ended September 30, 1976 and 1975

	1976	1975
...d	$37,238,000	$21,276,000
...high density ...acreage	9,866,000	1,607,000
...	2,749,000	1,346,000
	49,853,000	24,229,000
...d sold	24,092,000	12,858,000
...high density acreage sold	3,792,000	740,000
...eneral	1,669,000	1,394,000
...	1,800,000	1,297,000
...ortization	79,000	56,000
	31,432,000	16,345,000
...e taxes	18,421,000	7,884,000
...	8,658,000	3,914,000
...	$ 9,763,000	$ 3,970,000
...non ...	2,724,376	2,541,556

1976 ...Full Dilution	1975 No Dilution	1975 Full Dilution
$3.51	$1.56	$1.52
$4.22	$3.12	$3.03

...common share and cash flow per common ...stated to reflect the two-for-one share split ...ed by shareholders October 27, 1976.

	1976	1975
Interest (Note 11)	2,506	1,881
Depreciation and amortization	173	75
Total expenses	37,133	25,437
Net income before income taxes	20,622	14,050
Income taxes	10,193	6,784
Net income	10,429	7,266
Retained earnings, beginning of year	...188	12,189
	...9,617	19,455
...	1,091	267
...r (Note 16)	$28,526	$19,188

1976 was an excellent year from start to finish, particularly in the busy summer months when most of the Company's sales are traditionally made.

Carma's policy of regional diversification is highlighted in the second quarter when sales were predominately made in areas outside of the Company's Calgary base, and again in the full year's results when, for the first time, these newer markets contributed over half of the annual sales.

Auditors' Report

To the Shareholders
of Carma Developers Ltd.

We have examined the consolidated balance sheet of Carma Developers Ltd. and its subsidiary companies as at December 30, 1976 and the consolidated statements of income and retained earnings and changes in financial position for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and procedures as we considered necessary in the circumstances.

In our opinion, these consolidated financial statements present fairly the financial position of Carma Developers Ltd. and its subsidiary companies as at December 30, 1976 and the results of their operations and the changes in their financial position for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Winspear Higgins Stevenson & Co.

Calgary, Alberta
February 9, 1977.

Chartered Accountants.

CARMA DEVELOPERS LTD. AND SUBSIDIARY COMPANIES

Consolidated Statement of Income and Retained Earnings

YEAR ENDED DECEMBER 30, 1976

	1976	1975
	($000's)	($000's)
Revenue		
Sale of residential land	$41,573	$29,821
Sale of commercial, high density and undeveloped acreage	12,286	7,569
Interest and other	3,896	2,097
Total revenue	57,755	39,487
Expenses		
Cost of residential land sold	27,010	18,438
Cost of commercial, high density and undeveloped acreage sold	4,958	3,161
Administrative and general	2,486	1,882
Interest (Note 11)	2,506	1,881
Depreciation and amortization	173	75
Total expenses	37,133	25,437
Net income before income taxes	20,622	14,050
Income taxes	10,193	6,784
Net income	10,429	7,266
Retained earnings, beginning of year	19,188	12,189
	29,617	19,455
Dividends paid	1,091	267
Retained earnings, end of year (Note 16)	$28,526	$19,188
Earnings per share (Note 14)		

The accompanying notes form part of this statement.

CARMA DEVELOPERS LTD. AND SUBSIDIARY COMPANIES

Consolidated Balance Sheet

DECEMBER 30, 1976

ASSETS	1976	1975
	($000's)	($000's)
Cash and deposit receipts	$ 141	$ 1,249
Receivables		
Trade, secured by agreements for sale maturing within one year	19,497	18,303
Agreements on commercial and high density land (Note 3)	7,064	6,415
Accrued interest and other	2,492	1,623
Land, developed and under development (Notes 4 and 6)	25,286	10,126
Land held for future development (Notes 5 and 6)	68,805	64,653
Land, buildings and equipment, at cost less accumulated depreciation $244,000; 1975 - $163,000	1,941	992
Rental properties under construction	1,511	—
Deferred financing costs less amortization $105,000; 1975 - $32,000	636	62
	$127,373	$103,423

ON BEHALF OF THE BOARD

Director

Director

The accompanying notes form part of this statement.

LIABILITIES	1976	1975
	($000's)	($000's)
Bank indebtedness (Note 7)	$ 5,271	$ 2,668
Payables and accruals (Note 8)	17,808	10,618
Option deposits	620	308
Income taxes payable	10,663	2,786
Payable on land under development	6,275	449
Long term debt (Note 9)	45,317	54,518
Deferred income taxes	8,365	8,794
	94,319	80,141

SHAREHOLDERS' EQUITY

Share capital (Note 10)		
Authorized - not to exceed $12,000,000		
6,000,000 Class A convertible common shares without nominal or par value		
6,000,000 Class B convertible common shares without nominal or par value		
Issued and outstanding		
1,941,728 Class A convertible shares (1975 - 2,067,492) and		
3,537,840 Class B convertible shares (1975 - 3,271, 950)	4,517	4,083
Contributed surplus	11	11
Retained earnings (Note 16)	28,526	19,188
	33,054	23,282
	$127.373	$103,423

CARMA DEVELOPERS LTD. AND SUBSIDIARY COMPANIES

Consolidated Statement of Changes in Financial Position

YEAR ENDED DECEMBER 30, 1976

	1976	1975
	($000's)	($000's)
Cash was provided by		
Operations		
Net income	$10,429	$ 7,266
Items not requiring the outlay of cash		
Depreciation and amortization	173	75
Deferred income taxes	(429)	3,579
	10,173	10,920
Increase in bank indebtedness	2,603	543
Increase in payables and accruals	7,190	1,535
Increase in option deposits	312	269
Increase in income taxes payable	7,877	1,087
Increase in term bank loans	—	9,130
Issue of 11.5% Secured Debentures, Series A	10,000	—
Issue of common shares	434	1,611
	38,589	25,095
Cash was used for		
Increase in trade and other receivables	2,063	8,466
Increase in agreements on commercial and high density land	649	3,765
Increase in investment in land and utility costs	17,620	10,159
Increase in land, buildings and equipment	1,050	208
Increase in rental properties under construction	1,511	—
Increase in deferred financing costs	646	—
Decrease in term bank loans	14,695	—
Decrease in 8% subordinated convertible debentures	372	1,600
Dividends paid	1,091	267
	39,697	24,465
Increase (decrease) in cash and deposit receipts	$ (1,108)	$ 630

The accompanying notes form part of this statement.

Notes to Consolidated Financial Statements

DECEMBER 30, 1976

1. Accounting policies

The Company's accounting policies are in accordance with the recommendations of the Canadian Institute of Chartered Accountants which are substantially in accordance with the recommendations of the Canadian Institute of Public Real Estate Companies.

(a) Income recognition

Land sold is recognized as income for accounting purposes on the date on which title to the land passes on closing of the sale. Land sold by way of an agreement for sale is recognized as income when the agreement for sale is duly executed and delivered. In both cases, income is recognized only when the Company has received a cash down payment of not less than 15 per cent.

(b) Land costs

The Company determines the cost of developed lots sold and unsold as follows:

(i) Undeveloped land cost is prorated on an acreage basis in each phase of a subdivision under development.
(ii) Servicing costs are estimated and prorated on a front footage basis in each phase of a subdivision under development.
(iii) Upon the substantial completion of each phase of a subdivision under development any difference between actual and estimated servicing costs is recognized by way of adjustment in the accounts.
(iv) Each phase of a subdivision under development is treated as a complete development area.

(c) Capitalization of costs

The Company capitalized the following as a part of the cost of land held for future development:

(i) Interest on agreements relating directly to the acquisition of land held for future development.
(ii) Real estate taxes on land held for future development.
(iii) Interest on general long term debt borrowing deemed applicable to the Company's investment in land held for future development.
(iv) Other direct costs applicable to land held for future development, including administrative overhead, commissions, legal fees, soil testing and engineering studies.

(d) Deferred income taxes

The Company records income taxes on the tax allocation basis. Deferred income taxes result primarily from:

(a) Treatment of
  (i) Utility costs expended on the development of subdivisions in relation to cost of sales recorded in the accounts.
  (ii) Certain carrying costs relating to land held for future development.
  (iii) The deferred portion of financing costs, and
(b) The recognition of profits for income tax purposes from land sales when the balance of the purchase price is due after the end of the year.

(e) Amortization

The Company amortizes the costs of equity financing on a straight line basis over a ten year period. Costs of debt financing are amortized over the retractable term of the debt.

2. Principles of consolidation and accounting presentation

The consolidated financial statements include:

(a) The assets and liabilities and results of operations of all of the Company's subsidiaries and,
(b) The proportionate share of assets, liabilities, income and expense and commitments of the Company's interest in unincorporated and incorporated joint ventures. The Company has a 50 per cent interest in all unincorporated joint ventures to which it is a party.

3. Agreements on commercial and high density land

The agreements for sale on commercial and high density land yield interest at varying interest rates up to 13% (1975 - 13%). Principal payments due on these agreements are as follows:

	($000's)
1977	$2,864
1978	3,853
1979	72
1980	25
1981	25
Subsequent to December 30, 1981	225
	$7,064

4. Land, developed and under development

	1976	1975
	($000's)	($000's)
Land, developed and under development, at total estimated cost	$37,897	$12,780
Deduct: Estimated costs to complete	12,611	2,654
Land, developed and under development, at cost to date	$25,286	$10,126

5. Land held for future development

Land held for future development, including option deposits, is stated at the lower of cost and net realizable value, and includes the following:

	1976	1975
	($000's)	($000's)
Land and option deposits	$62,385	$57,599
Interest	4,022	3,123
Development costs	1,346	2,889
Taxes, professional fees and commissions	857	748
General and administrative expenses	195	294
	$68,805	$64,653

To acquire the land under the option, an additional expenditure of $6,684,000 (1975 - $7,054,000) will be required.

During the year $3,087,000 (1975 - $2,043,000) was charged to land held for future development for interest, taxes, professional fees and commissions and general and administrative expenses.

6. Land appraisal

The Company's land was appraised as at December 30, 1976 and December 30, 1975 by J. C. Leslie Appraisals Ltd., Appraisers and Real Estate Consultants. The results of these appraisals are as follows:

	1976	1975
	($000's)	($000's)
Appraised value		
Land, developed and under development	$ 60,503	$ 26,477
Land held for future development	208,273	168,150
Total appraised value	$268,776	$194,627

6. Land appraisal (continued)

	1976	1975
	($000's)	($000's)
Appraisal increment		
Excess of appraised value of land developed and under development over total cost thereof	$ 22,606	$ 13,697
Excess of appraised value of land held for future development over total cost thereof, excluding development costs	134,130	99,332
Total appraisal increment	$156,736	$113,029

The appraised value does not make any allowances for selling and administrative expenses nor income taxes related to the sale of the appraised land.

7. Bank indebtedness

The bank indebtedness is represented by a bank overdraft of the Company and operating bank loans of a subsidiary company. The bank indebtedness of the subsidiary company is secured by a general assignment of receivables, a floating charge demand debenture and mortgages on land, developed and under development, all as related to this subsidiary.

8. Payables and accruals

	1976	1975
	($000's)	($000's)
Trade and other payables	$11,509	$ 6,213
Accrued development costs on land sold	6,299	4,405
	$17,808	$10,618

9. Long term debt

	1976	1975
	($000's)	($000's)
Payable on land held for future development		
Agreements of purchase and mortgages payable at interest rates varying up to 13% (1975 - 12.5%)	$32,045	$36,179

Term bank loans

The Company has agreed to grant a floating charge demand debenture to secure the term bank loans. The term bank loans bear interest at 2% over the prime bank rate. The floating charge demand debenture is to rank pari passu with the first floating charge securing the 11.5% Secured Debentures, Series A. In addition, the principal bankers, in accordance with the terms of the debenture, have requested a fixed charge on specific assets to further secure the term loans.

The Company also agreed to grant a separate demand debenture, ranking in priority to the floating charge securing the 11.5% Secured Debentures, Series A, to secure the operating loans. The operating loans, bearing interest at 1% over the prime bank rate, are also secured by a general assignment of book debts.

The two separate debentures will secure a bank credit line of $16,000,000 (1975 - $20,000,000) exclusive of the credit line granted to a subsidiary company, referred to in Note 7.

9. Long term debt (continued)

	1976 ($000's)	1975 ($000's)
The term loans are repayable over a period of five years at a maximum annual repayment of $2,000,000 (1975 - $3,400,000)	2,629	17,324
11.5% Secured Debentures, Series A		
These debentures which mature in 1996 are retractable at the holder's option on December 15, 1981. The debentures are secured by a fixed and specific mortgage, pledge and charge of certain specified assets, and a floating charge upon the undertaking and all other property and assets of the Company, subject to certain allowable prior charges	10,000	—
8% Subordinated convertible debentures, Series C		
The Series C debentures, maturing March 1, 1979 are secured by a floating charge on all the assets of the Company which ranks subsequent to the security of the bank loans and the 11.5% Secured Debentures, Series A, as described in this Note.		
During the year Series C debentures with a total value of $350,000 (1975 - $1,600,000) were converted into Class A shares of the Company and Series C debentures with a total value of $23,000 were redeemed. The conversion privilege expired on March 1, 1976	643	1,015
	$45,317	$54,518

Principal payments due on long term debt are as follows:

	($000's)
1977	$ 8,126
1978	5,888
1979	4,564
1980	3,637
1981	14,284
Subequent to December 30, 1981	8,818
	$45,317

10. Share capital

(a) At a Special General Meeting of the Shareholders held on October 27, 1976, the shareholders approved an increase in the authorized capital of the Company from 3,000,000 Class A convertible common shares without nominal or par value and 3,000,000 Class B convertible common shares without nominal or par value to 6,000,000 Class A convertible common shares without nominal or par value and 6,000,000 Class B convertible common shares without nominal or par value. The Class A and B shares are fully interchangeable.

At the same meeting the shareholders approved a two-for-one share split for all issued shares of the Company. Reference to shares in these financial statements give effect to the two-for-one share split.

(b) During the year 35,078 shares (1975 - 4,500) were issued pursuant to the Company's stock option plan for $84,000 (1975 - $11,000). An additional 105,048 shares (1975 - 479,938) were issued on the conversion of Series C debentures.

(c) The Company has a stock option plan under which options on 88,792 shares are outstanding as at December 30, 1976 (1975 - 123,870). These options have been granted to senior officers and employees and are exercisable to July 31, 1981 at prices varying from $2.40 per share to $3.00 per share.

11. Interest

	1976	1975
	($000's)	($000's)
Interest on long term debt and bank demand loans	$ 4,928	$ 3,557
Less: Interest applicable to land held for future development	2,422	1,676
Interest expense	$ 2,506	$ 1,881

12. Remuneration to directors and senior officers

The aggregate direct remuneration of directors and senior officers amounted to $403,000 (1975 - $323,000) which amount included $40,000 (1975 - $26,000) in directors' fees.

13. Contingent liabilities and commitments

The Company is committed to spend an estimated $12,611,000 (1975 - $2,654,000) to complete subdivisions under development (Note 4). These commitments arise from development agreements entered into with municipal governments.

The Company is contingently liable with respect to letters of guarantee issued by chartered banks totalling $7,308,000 (1975 - $3,978,000). The letters of guarantee have been issued in lieu of performance deposits.

14. Earnings per share

	1976	1975
Earnings per share	$ 1.91	$ 1.41
Fully diluted earnings per share	$ 1.87	$ 1.39

Earnings per share have been calculated on the basis of the weighted average number of shares outstanding during the year. Earnings per share for 1975 have been restated to reflect the two-for-one share split that occured in 1976 (Note 10).

15. Subsequent events

Pursuant to an underwriting agreement dated January 17, 1977, the Company has issued and sold $15,000,000 11¼% Secured Debentures, Series B, due February 15, 1997.

16. Dividend restrictions

(a) Under the terms of the 11.5% Secured Debentures, Series A trust indenture, dividends on Class A and Class B shares shall not be declared or paid if after such payment the amount of consolidated shareholders' equity would be less than $21,500,000.

(b) Under the Anti-Inflation Act, the Company is restricted from paying dividends in excess of $0.36 per Class A share and $0.306 per Class B share in the 12 month period ended October 13, 1977. These amounts give effect to the share split referred to in Note 10.

17. Government regulations

Effective October 14, 1975, the Federal Government introduced the Anti-Inflation Act which provided for the restraint of profit margins, prices, compensation to employees and dividends. Whether or not the Company is legally subject to mandatory compliance with the Anti-Inflation Act, the Directors have stated that the Company will abide with the spirit of the legislation. As a result, the Company's ability to maintain or increase prices, profit margins and compensation may be restricted during the period in which such legislation is in effect.

The Company has made calculations necessary to determine the effect of the provisions of the Anti-Inflation Act on its operations. On the basis of these calculations, management has concluded that it is in compliance with the Act for 1976 and 1975. Dividend restrictions are explained in Note 16.

Consolidated Financial Review

RESULTS OF OPERATIONS	1976	1975	1974	1973	1972
	($000's)	($000's)	($000's)	($000's)	($000's)
Total revenue	$ 57,755	$ 39,487	$ 24,889	$ 20,688	$ 17,360
Net income before income taxes	20,622	14,050	8,081	6,090	4,784
Net income	10,429	7,266	3,871	3,002	2,467
Net income per share (1) (2)	1.91	1.41	0.80	0.62	0.57
Fully diluted net income per share (1) (2)	1.87	1.39	0.69	0.53	0.47
Dividends per share (1) (2)	0.20	0.05	0.033		

FINANCIAL POSITION

Land, developed and undeveloped	$ 94,091	$ 74,779	$ 49,175	$ 30,456	$ 12,616
Total assets	127,373	103,423	64,825	44,591	23,522
Long term debt	45,317	54,518	31,645	19,229	6,774
Shareholder's equity	33,054	23,282	14,672	10,893	7,863
Book value per share (1) (2)	6.06	4.36	3.02	2.26	1.81
Average number of shares outstanding (1) (2)	5,456,498	5,148,742	4,848,288	4,824,504	4,360,166

(1) Calculated giving effect to the two-for-one share split of November, 1976.
(2) Based on average number of shares outstanding during the year.

Carma Land Holdings

The following pages summarize and depict the land holdings of Carma and its subsidiaries. Acreage totals listed include Carma's percentage share in joint venture and co-ownership properties, which are shown in their entirety on the maps. Every effort has been made to portray the land holdings to scale on the individual maps but the authenticity cannot be guaranteed. The grid system used on some of the maps are section lines (one mile square) to afford a better perspective of the individual acreages involved.

Carma's land activities during the past six years are summarized as follows:

	Land Controlled at Beginning of the Year	Land Acquired During the Year	Land Disposed of During the Year	Land Controlled at End of the Year
	(acres)	(acres)	(acres)	(acres)
1971	3,852	1,090	438	4,504
1972	4,504	2,593	982	6,115
1973	6,115	5,421	599	10,937
1974	10,937	1,663	1,797	10,803
1975	10,803	1,953	646	12,110
1976	12,110	1,365	838	12,637

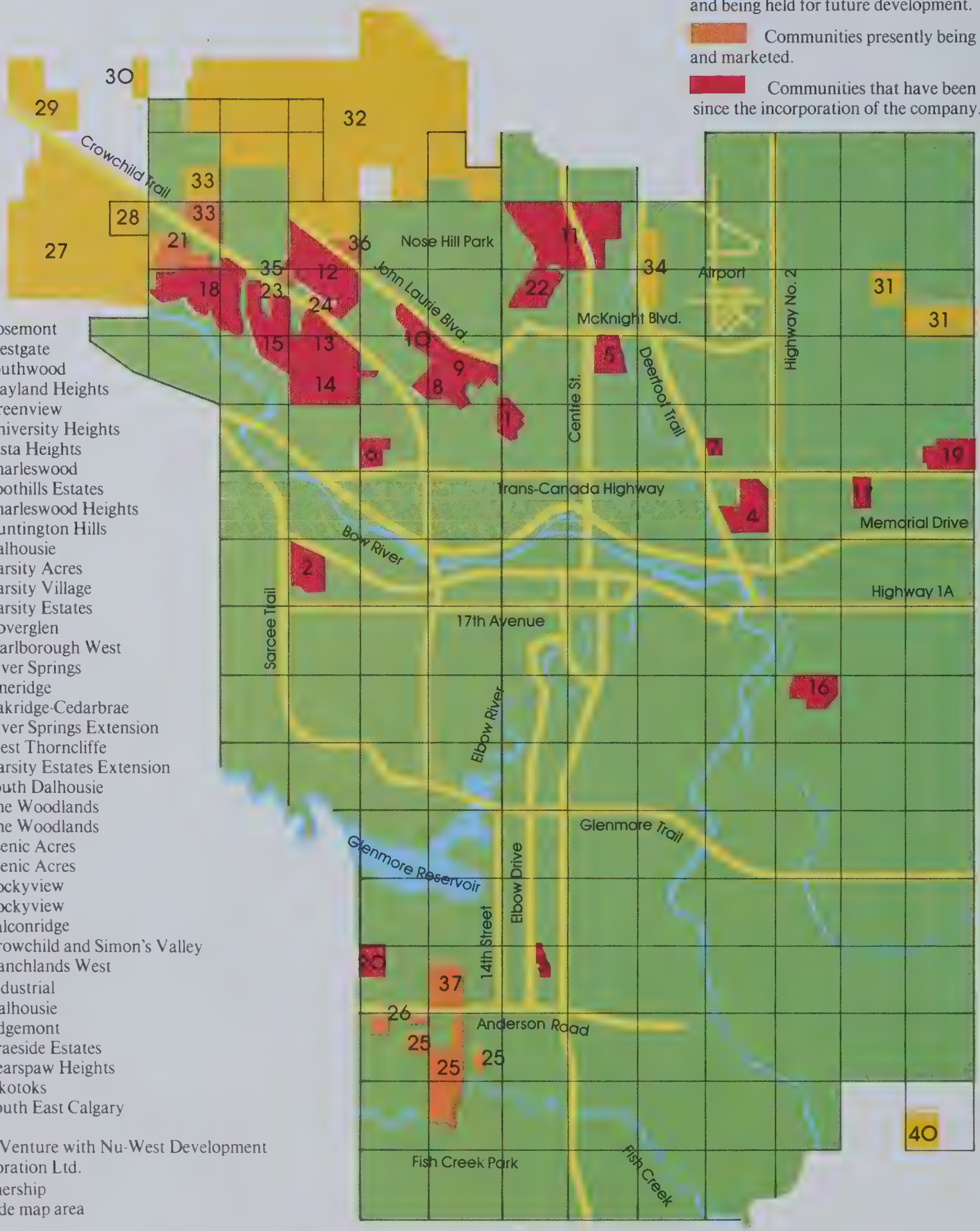
At December 30, 1976, land controlled by Carma was located in the following regions:

	Land Developed and Under Development	Land Held for Future Development	Total Land Controlled
	(acres)	(acres)	(acres)
Calgary	285	7,373	7,658
Edmonton	242	3,132	3,374
Ontario	136	280	416
Prince George	—	788	788
Vancouver	54	347	401
Total	717	11,920	12,637

Residential (low density) lot sales in 1976 were recorded in the following subdivisions:

		No. of Lots
Calgary:	Silver Springs	355
	Braeside Estates	161
	The Woodlands	117
	Varsity Estates	81
	West Thorncliffe	19
	Okotoks	39
	Miscellaneous	6
Edmonton:	Mill Woods	253
	Blue Quill	130
	Miscellaneous	1
Hamilton:	Albion Estates	164
Prince George:	Foothills	59
Vancouver:	Maple Ridge	76
	Glen Robertson	41
	Newton Glen	105
		1,607

Calgary



1. Rosemont
2. Westgate
3. Southwood
4. Mayland Heights
5. Greenview
6. University Heights
7. Vista Heights
8. Charleswood
9. Foothills Estates
10. Charleswood Heights
11. Huntington Hills
12. Dalhousie
13. Varsity Acres
14. Varsity Village
15. Varsity Estates
* 16. Doverglen
* 17. Marlborough West
18. Silver Springs
* 19. Pineridge
* 20. Oakridge-Cedarbrae
21. Silver Springs Extension
22. West Thorncliffe
23. Varsity Estates Extension
* 24. South Dalhousie
* 25. The Woodlands
26. The Woodlands
* 27. Scenic Acres
28. Scenic Acres
* 29. Rockyview
* 30. Rockyview
31. Falconridge
32. Crowchild and Simon's Valley
33. Ranchlands West
\+ 34. Industrial
35. Dalhousie
36. Edgemont
* 37. Braeside Estates
• 38. Bearspaw Heights
• 39. Okotoks
40. South East Calgary

* Joint Venture with Nu-West Development Corporation Ltd.
\+ Partnership
• Outside map area

Land under development and held for future development:
Calgary - 7,658 acres

Edmonton and Area

- * 1. Block W. — Pineview
- * 2. Chamberlain 5 and 6 — Pineview
- * 3. McNicol 3 — Pineview
- * 4. Fort Saskatchewan Assembly
- 5. N.E. Edmonton
- * 6. Clareview - Neighborhoods 4 and 5
- * 7. Clareview - Neighborhood 3 South
- 8. Sherwood Park
- 9. Meyonohk
- 10. Mill woods
- 11. Blue Quill
- 12. Riverbend — Terwilliger
- 13. Belmead
- 14. N.W. Edmonton
- 15. Forest Lawn
- + 16. Braeside I and II
- + 17. Woodlands

* Joint ownership
+ Joint Venture with Nu-West Development Corporation Ltd.

Land under the control of the company and being held for future development.

Communities presently being developed and marketed.

Communities that have been developed since the incorporation of the company.

Land under development and held for future development:
Edmonton - 3,374 acres

Ontario

1. Albion Estates
2. Nash Heights
3. Dewitt Park
4. Iroquois Ridge
* 5. Mississauga

* Joint Venture.

Land under the control of the company and being held for future development.

Communities presently being developed and marketed.

Land under development and held for future development:
Ontario - 416 acres

Prince George

1. Foothills
2. Blackburn - Bonnet Ridge
3. Cranbrook Hill

Land under the control of the company and being held for future development.

Communities that have been developed since the incorporation of the company.

Land under development and held for future development:
Prince George - 788 acres

Greater Vancouver

1. Richmond
2. Ladner
3. Richmond
4. Canterbury Heights Extension
5. Canterbury Heights
6. Canterbury Heights IV
7. Delta
8. Parkdale
9. Dover Estates
10. Somerset
11. Carleton Place
12. Edenridge
13. Cloverdale Heights
14. Cloverdale
15. Glen Robertson
16. Old office site
17. Newton Glen North
18. Newton Glen South
19. Abbey Glen
20. Guildford
21. South Surrey
22. South Surrey
23. New office building
24. Wildwood Park
25. Chilcotin Country
26. Maple Ridge

Land under the control of the company and being held for future development.

Communities presently being developed and marketed.

Communities that have been developed since the incorporation of the company.

Land under development and held for future development:
Vancouver - 401 acres

Builder-Shareholders

Calgary:

A. B. Custom Designers Ltd.; Art Rempel Homes Ltd.; B & H Homes (Calgary) Ltd.; Bamlett Construction Ltd.; Gerhard Boldt; Britannia Homes Ltd.; Built-Rite Developers Ltd.; Built-Rite Homes Ltd.; Dania Construction (1966) Ltd.; Engineered Homes Limited; F. Kuran Construction Co. Ltd.; G. Janssen Homes Ltd.; Sterling Homes, Division of Sterling Real Estate (Calgary) Ltd.; Gordon J. Hewitt; J. K. Built Homes Ltd.; John Penner Construction Co. Ltd.; Koltes Construction Limited; N. & L. Kvellestad; Lietz Construction; Master Craft Homes Ltd.; Mizera Construction Co. Ltd.; Neufeld Construction Ltd.; Nu-West Development Corporation Ltd.; Otto Bartel Homes Ltd.; Palace Builders Ltd.; Palace Homes Ltd.; Paragon Homes Limited; Park Place Projections Ltd.; Qualico Developments Ltd.; R. Wiebe Construction Ltd.; Rempel Construction Company Ltd.; Semon & Lucas Construction Co. Ltd.; Spindler Construction Ltd.; Spindler Homes Ltd.; Springer Construction (Calgary) Ltd.; V. R. Homes Limited; Wm. Lange Construction Ltd.

Edmonton:

Ace Lange Construction Ltd.; Alldritt Homes (1964) Ltd.; Amrin Investments Ltd.; Bestlands Development (Alberta) Ltd.; Boychuck Construction (Sask.) Ltd.; Cairns Homes (1972) Ltd.) Candlelight Homes Ltd.; Delwood Construction & Development Ltd.; Ekert & Smith Construction Ltd.; Engineered Homes Limited; Hill Developers (North) Ltd.; J. Schouten & Sons Contractors Ltd.; Leamac Industrial Developments Ltd.; Len Perry (Edm.) Ltd.; Marlo Homes Limited; Nu-West Development Corporation Ltd.; Oakland Homes Ltd.; Qualico Developments Ltd.; S. C. Anderson Developments Ltd.; Schaaf Bros. Construction Ltd.; Skylark Construction Ltd.; Springer Construction (Edmonton) Ltd.; Stanton Developments Ltd.; Wayne Homes Ltd.

Vancouver:

i) Sur-Del
Allankay Construction Ltd.; L. R. Bourne; Bracco Homes Ltd.; Engineered Homes Limited; Gerhard Bartel Building Contractor Ltd.; E. B. Helmer; Hill Developers Ltd.; Hoing Construction Ltd.; J. Bright Holdings Ltd.; John Penner Construction Ltd.; G. Jacobsen; C. Merriam; Neal's Construction Ltd.; Nu-West Mortgage & Investment Ltd.; V. Ozols; G. Peterson; Plaza Construction Ltd.; Qualico Developments Ltd.; Ridgewood Construction Ltd.; Schmid Brothers Construction Ltd.; Sidney Devries Cement Contracting Ltd.; Springer Construction Ltd.; Sundel Developments Ltd.

ii) Maple Ridge
Allankay Construction Ltd.; Brownjohn Homes Ltd.; R. J. Cooke; Dundee Construction Ltd.; Engineered Homes Limited; G. Jacobsen; Koffmar Construction Ltd.; Neal's Construction Ltd.; Nu-West Development Corporation Ltd.; Pacific Basin Industries Ltd.; Palisade Developments Ltd.; Pearce Construction Company (1971) Ltd.; G. Peterson; Schmid Brothers Construction Ltd.; Schild Construction Ltd.; Sidney Devries Cement Contracting Ltd.; V. Sparks; Springer Construction Ltd.

iii) Vancouver Centre
A & B Custom Designers Ltd.; Al's Construction Ltd.; L. R. Bourne,; Dovertel Construction Ltd.; Engineered Homes Ltd.; Fairwood Construction Ltd.; W. G. Henze Construction Ltd.; Island View Construction Ltd.; Metco Construction Ltd.; Neal's Construction Ltd.; Nu-West Development Corporation Ltd.; Qualico Developments Ltd.; Rainbow Construction Co. Ltd.; Reinders-Watts Development Ltd.; Garry W. Rempel; Schmid Bros. Construction Ltd.; Springer Construction Ltd.; Sundel Development Ltd.

Hamilton:

Abbotsford Homes Limited; Atinas Homes Ltd.; Brian Robinson Construction Limited; Cochren Bros. Limited; Cohoe Contracting Limited; Davis Construction; Davis Custom Homes Limited; Edmac Developments Limited; Engineered Homes Limited; Geo. Sinclair Const. (1973) Limited; George Tkachuk and Son Construction Limited; Gracita Investments Limited; Hil-Jay Homes Limited; Hill Developers Ltd.; James Robinson Construction Limited; Jay Robinson Construction Limited; John Bruce Robinson Construction Limited; John E. Robinson Construction Limited; Johns Mitchell Developments Limited; J. Kern, Ivan P. McKenna; John A. McKenna; Maklo Construction Limited; Mattwood Construction Limited; Mayotte Limited; Nu-West Development Corporation Ltd.; Queenston Development Company Limited; Ronyx Corporation Limited; Southward Developments Limited; Springer Construction Ltd.; Wibco Construction Ltd.; Williamsburg Estates Limited.

Prince George:

Belwood Construction Ltd.; Biddle Holdings Ltd.; L. R. Bourne; Breadner Construction Ltd.; Cedar Developments Ltd.; Central Homes & Development Ltd.; Crest Homes Ltd.; Denise Construction Ltd.; Eisenberg Construction Ltd.; Emerson Homes Limited; Empress Homes Ltd.; Engineered Homes Limited; F.G.L. Developments Ltd.; F.P.R. Holdings Ltd.; Fehr Construction Co. Ltd.; H. Loedel Construction Co. Ltd.; Hepwood Contracting Ltd.; Jess Construction Ltd.; Leo's Construction Ltd.; Maddigan Bros. Holdings Ltd.; Multi Builders Ltd.; Neal's Construction Ltd.; Pioneer Homes Inc.; Premium Construction Ltd.; Quarenghi Construction Ltd.; R. Richter Construction Ltd.; Springer Construction Ltd.; Sten's Construction Ltd.; Stuerzl Construction Ltd.; Sycamore Homes Ltd.; Thompson Construction Co. Ltd.; Universal Construction Ltd.; Velmar Enterprises Ltd.; W.K.G. Home Builders Ltd.; Warwick Construction Ltd.; Wickstrom Construction Ltd.; Wood-craft Construction Ltd.

Divisional Advisory Boards

Calgary:

A. R. Hill, K. Kleefeld, Gary Reed, M. Ross, E. Spindler, Klaus Springer, A. M. Usselman.

Edmonton:

S.C. Anderson, A. Fleck, S. K. Hooper, Rudy Janzen, Dave Jenkins, Louis Schaaf, Art Staniland.

Hamilton:

G. H. James, S. E. Johnson, W. J. C. Mitchell, G. R. Stanger, E. Tkachuk.

Prince George:

A. Andersen, Robert Bassett, D. Loedel, Howard Ross.

Vancouver:

P. Beauchamp, Larry Bourne, E. Harder, P. Hyndman, D. Pearce, Gary Santini, W. Schmid.

I.C.I. Division:

Walter Badun, Joseph A. Finochio, Kenneth S. Ford, Peter Hyndman, John Shields, Barry Wong.

R. T. Scurfield, Chairman of the Board, C. J. Combe, Vice-Chairman of the Board and Chief Executive Officer and Roy G. Wilson, President, are voting members of all advisory boards.

Subsidiary Companies

Sur-Del Builders Development Ltd.; Carma Developers (Edmonton) Ltd.; Vandevco Development Ltd.; Carma Developers (Realty) Ltd,; Carma Developers (Ontario) Ltd.

Auditors:

Winspear Higgins Stevenson & Co.

Transfer Agents and Registrar:

Montreal Trust Company - Class A and Class B Common Shares.
The Canada Trust Company - Series A and Series B Secured Debentures.

Shares Listed:

Toronto Stock Exchange
Alberta Stock Exchange

Printed in Canada
Designed by Wagner/Warren Ltd.
Printed by Northwest Printing
and Lithographing Ltd.